GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:112
ANSWERED ON:18.02.2003
INDO IRAN JOINT VENTURE PROJECT
PRABHA RAU;VILAS BABURAO MUTTEMWAR

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government propose to set up a joint venture project in Iran for the production of urea ;

(b) if so, the details thereof;

(c) whether any agreement in this regard has been finalised between the two countries;

(d) if so, the details thereof; and

(e) the cost involved in the establishment of such a joint venture project in Iran?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. CHHATTRA PAL SINGH)

(a) to (e): At present, the Government does not have any proposal to set up a joint venture urea project in Iran. However, Indian Farmers Fertilizer Cooperative Ltd.(IFFCO) and Krishak Bharati Cooperative Ltd. (KRIBHCO), forming an Indian consortium, had signed a Memorandum of Understanding with Qeshm Free Area Authority (QFAA) of Iran for setting up a gas based ammonia-urea plant in Iran. The proposal was reviewed by the sponsors in November 2001 in the light of prevailing market conditions relating to demand-supply scenario and international urea prices and was then not found financially viable. The sponsors have decided to review the techno- economic and environmental feasibility of the alternative option of setting up an ammonia plant on stand-alone basis.